

ORDINANCE NO. \_\_\_\_\_ Series 2009

AN ORDINANCE ENACTING A NEW SECTION 20.20 OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT CODE OF ORDINANCES [LMCO] RELATING TO RECORDKEEPING AND AUDIT REQUIREMENTS APPLICABLE TO RECIPIENTS OF APPROPRIATED FUNDS. (AS AMENDED)

Sponsored by: Primary Sponsors: Councilman Jim King and Councilman Kelly Downard  
Co-Sponsor: Councilman Kevin Kramer

**NOW BE IT ORDAINED** by the Louisville/Jefferson County Metro Council [the “Council”] as follows:

**SECTION I:** A new LMCO Section 20.20 is hereby enacted to read as follows:

**§ 20.20. RECORDKEEPING AND AUDIT REQUIREMENTS;  
RECIPIENTS OF APPROPRIATED FUNDS**

(A) All recipients of ~~public~~ funds appropriated by the Council [the “recipient” or “recipients”] shall be subject to audit as to the recipients’ use of such funds. All recipients shall maintain full and complete records in accordance with ~~g~~Generally Accepted Accounting Principles ~~practices~~ as to each expenditure made from appropriated funds. Subject to the provisions of Subsection (B) of this § 20.20, a recipient shall immediately upon request make all records required to be maintained by this Subsection (A) available to the Metro Government Auditor or any other person designated by the Mayor or the Metro Council [the “Auditor”] at a location in Jefferson County, Kentucky.

(B) For purposes of this Section, a *recipient* or *recipients* shall be defined as any person or other entity who receives appropriated funds, including loans or forgiveness of loans, and grants, except:

(1) Subject to subsection (F), departments or agencies of Metro Government; and

(2) Vendors of services or supplies to Metro Government obtained by:

(i) competitive bidding;

(ii) sole source contracts approved by the Metro Council; and

(3) Wages, salaries, and benefits paid and payable to Metro employees.

~~(B)~~ (C) All records required to be maintained by a defined recipient under subsection (B), above, shall be provided to an Auditor without limitation or qualification. Such records, as so provided, together with the Auditor's report shall be public records disclosable to any member of the public ~~upon request in~~ accordance with the provisions of the Kentucky Open Records Act, KRS 61.874, et seq.

~~(C)~~ (D) All contracts and agreements entered into by and between Metro Government and a recipient after the effective date of this ordinance shall include a provision wherein and whereby the recipient acknowledges this § 20.20 and agrees to comply with its requirements.

~~(D)~~ (E) Failure to comply with the provisions of this § 20.20 may be grounds for the Council's revocation of the appropriation to a recipient who is not in compliance.

(F) This ordinance shall not apply to appropriations of public funds by external agencies authorized by the Kentucky Revised Statutes.

**SECTION II: EFFECTIVE DATE** This ordinance shall take effect upon its passage and approval.

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**Kathleen J. Herron**  
**Metro Council Clerk**

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**David W. Tandy**  
**President of the Council**

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**Jerry E. Abramson**  
**Mayor**

**Approved:** \_\_\_\_\_  
**Date**

**APPROVED AS TO FORM AND LEGALITY:**

**Michael J. O'Connell**  
**Jefferson County Attorney**

**BY:** \_\_\_\_\_

Recordkeeping and Audit Requirements – Chapter 20 – 19 Aug 2009 – roc/wpo/wtw  
Recordkeeping and Audit Requirements – Chapter 20 – 2<sup>nd</sup> Draft - 20 Aug 2009 – roc/wpo/wtw  
Recordkeeping and Audit Requirements – Chapter 20 – 3rd Draft - 24 Aug 2009 – roc/wpo/wtw  
Recordkeeping and Audit Requirements – Chapter 20 – Committee Amendments - 7 Oct 2009 – roc/wpo/wtw  
Recordkeeping and Audit Requirements – Chapter 20 – 4th Draft - 12 Oct 2009 – roc/wpo/wtw  
Recordkeeping and Audit Requirements – Chapter 20 – Final Comm. Amendments – 4 Nov 2009 –  
roc/wpo/wtw/ml